



CS Mexico Market Report

Manpower Training Opportunities in the Mexican Market

Training

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Summary

During the last couple of years some significant changes have been identified in the training sector in Mexico (public & private sectors). In the past, training services were not considered a priority; but now, training has become considered a need in order for an organization to be competitive. Investment in human resources, through lifelong learning, is of critical importance for enterprises concerned with improving their productivity and competitiveness in global markets.

Training companies have a large market to explore in Mexico. There is a growing demand for programs in executive management, marketing, sales management, leadership, quality control, and executive language.

However, competition with local providers is fierce. U.S. providers should pay close attention to program development (in Spanish) and partnership opportunities.

Market Demand

In Mexico training opportunities are increasing. Mexico's government and industries have recognized that staff with the right balance of general and work specific competencies, personal attributes and interpersonal skills is increasingly required if Mexico wants to remain competitive in the global market.

The Mexican work force is young and is growing at a rate of more than one million employees per year. Though many enter the workforce with just basic skills, companies have found that with proper training programs, these skills of Mexican workers can be upgraded and high quality work can be obtained.

In addition to traditional methods, Mexico is also investing in and opening the market toward the on-line courses and combining the development of various working competences (professional expertise and human development). This awareness of training importance has been triggered by an increase in global competition that has caused a revaluation of human capital as a truly valuable asset for any company.

Market Data

Rising demand for skilled workers and the high standards required by the international market have increased the need for training and human resource development.

Training in Mexico is basically divided in two segments: vocational/technical training and executive training.

As technical training can be very specialized and unique according to the company's needs, some companies have a training department to deliver in-house programs. It is also common to partner with vocational schools to jointly develop technical courses. The most recognized institutions that have developed quality programs adapted to industry needs are: Colegio Nacional de Educación Profesional Técnica (CONALEP), Universidades Tecnológicas and Universidades Politécnicas.

In regards to executive training, private universities have been active developing “continuing education graduate programs” as well as customized executive programs adapted to the needs of industry. ITESM (Instituto Tecnológico de Estudios Superiores de Monterrey), Universidad Anahuac, Universidad Iberoamericana are the most active private schools offering short-term programs for executives, such as finance, management, marketing and business. IPN (Instituto Politécnico Nacional) and UNAM (Universidad Nacional Autónoma de México) are also recognized for their continuing education programs in medicine, engineering, science and IT security, among others. At the end of each course, students receive a certificate granted by the University and the Ministry of Education.

The Federal Government has created a special office in the Ministry of Labor to provide training opportunities for SME's, focused basically in business development & technology. The Programa de Apoyo para la Capacitación – PAC (Training Support Program) has been created to enhance workforce knowledge so that employees at all levels become more productive in their daily activities.

The Ministry of Labor financially supports the training program as shown below:

Company Size	Financial Aid provided by the Government	Company's Contribution
Micro	60%	40%
Small	55%	45%
Medium	50%	50%

Once the company's training application is accepted by the Ministry of Labor, the authorized training hours per company size are as follows:

Company Size	Training Hours per year	Extension of training hours per year	Total of Training Hours per year
Micro	50	25	75
Small	100	50	150
Medium	200	100	300

Mexican companies and government agencies are investing increasingly in new technology and turning to the Internet to increase efficiencies, provide better customer service, and train their employees. Both the private sector and government now widely view distance learning as a cost-effective way to maintain a better-educated workforce. On-line courses are opening new horizons for the fastest-growing segment of higher education, working adults who often find it difficult to juggle conventional classes with jobs and family responsibilities.

The dynamics introduced by the new technologies in education allow different ways of teaching and learning based on Learning Management Systems. Nowadays the amount of e-courses is expanding. Thousands of people have access to education, especially postgraduate and training, because of the increased access and reduced costs of on-line offerings. Most e-training is given through blended courses, a combination between attended sessions (25%) and e-learning (75%).

Large corporations such as Teléfonos de México, Liverpool, Motorola among others, have created their own Corporate Universities, where they develop customized training/education programs to cover specific niche sectors in their corporations.

The importance Mexican citizens place on having a command of the English language is a trend that has resulted from Mexico's increasing role as player in the world economy and international politics, and even more specifically as a result of growing economic and cultural interdependence between Mexico and the United States. Business English courses are in high demand at all levels.

Best Prospects

Mexico's best prospects for manpower training and development are:

IT Training - IT skills and IT project management

Executive Training – Coaching, Management, Time management, among others

Soft Skills Training – Human Resources management, leadership, team building, personal development, sales, marketing, customer service.

Language Training – Executive language training, and language programs for junior staff to improve their English language abilities.

Professional/Technical Training – Engineering, Agricultural, Environmental, Healthcare & Tourism

Prospect Buyers

Multinational companies and government agencies invest in training programs not only for their executives, but also for technical staff.

Training can also be expanded to SME's as well, most of them are family-owned enterprises with less economic resources but have a willingness to remain competitive in the business market. SME's usually contract consulting/training companies to deliver training services.

Market Entry

One of the trends in the industry is to outsource training courses. Because of high costs, companies are not willing to invest in creating permanent in-house training centers. Most medium-sized companies contract consulting firms to develop the programs and provide training to their workforce. Therefore, U.S. institutions can take advantage of this trend and partner with consulting/training firms to offer quality customized training programs.

U.S. training companies can also partner with Mexican institutions/universities to develop continuous education programs. Vocational/Technical Schools such as CONALEP have signed agreements with international universities to offer technical training programs.

Training companies have to be flexible and sensitive to the unique realities of the Mexican market. The demand is for tailor-made programs conducted in Spanish.

Although e-learning has become more common among the Mexican business community, it is also advised to combine the e-learning experience with instructor-led classes.

Trade Events

Expo-Capacitate Empresarial – March 2007

The leading Training and Human Resources expo and congress in Latin America. In this yearly event in Mexico, companies have the opportunity to learn from the latest trends and technology in the training sector. - www.capacitate.com.mx

Resources & Key Contacts

Asociación Mexicana de Capacitación de Personal, A.C. – AMECAP - www.amecap.org

The Mexican Training Association's role is to develop and promote actions to improve the Training culture among Mexican companies. They organize seminars among the business community to enhance the training benefits for the workforce.

Colegio Nacional de Educación Profesional Técnica (CONALEP) www.conalep.edu.mx

Universidades Tecnológicas: <http://cgut.sep.gob.mx>

Secretaría del Trabajo: www.secretariadeltrabajo.gob.mx

For More Information

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